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### • 9th District •

### 2005 Legislative Review and Survey Results

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9TH DISTRICT

LEGISLATIVE TEAM

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• Representative David Buri

(360) 786-7844 buri.david@leg.wa.gov **Rep. Buri's legislative homepage:** http://hrc.leg.wa.gov/members/buri/htm Dear Friends,

The  $59^{\text{th}}$  Washington Legislature concluded its 105-day session April 24 – a session that left us frustrated and deeply concerned about the "one-two punch" delivered to border areas of Washington state. A budget that increases spending dramatically combined with a hike in the gas tax is a bitter pill for families, businesses and the state's tenuous economic recovery.

We went into the session with the belief that it was not only possible but imperative that we forge a general fund budget **without revenue growth**. With discipline, focus, and the courage to act, we could have shaped a spending plan that ensures government lives within its means and provides the <u>priority</u> services citizens have a right to expect. The minority party's arguments were not heard, and after passage of a Senate bill that gutted Initiative 601 – which cleared the way for half a billion dollars in tax hikes – we were left with a budget that increases spending by over 12 percent.

The Legislature also came up short on passing meaningful changes in the state's election system and making more affordable health insurance options available to consumers. In short, the 2005 session was a disappointment in almost every respect, with the exception of education and higher education.

This session review is our report to you about how we dealt with these and other issues this session.

We also want to thank you for taking the time to reply to the questionnaire in our February newsletter. Because of space limitations, we are only able to provide an abbreviated summary of the survey tabulation, which you will find on the back page. If you are interested in reviewing the more detailed results, they can be viewed on our individual legislative homepages, which are listed on the panel to the left.

Finally, even though the legislative session has concluded, we are always glad to hear from you. If you have questions or other concerns to share with your 9<sup>th</sup> District team, please call, send an e-mail or write a letter. We welcome your ideas and opinions.

Thank you for the honor of serving you in Olympia.

Park I. khoesles

Sincerely,

Mark Schoesler State Senator

Don Cox State Representative

David Buri State Representative



# Tax-heavy operating budget overspends and is unsustainable

At **\$26.1** billion, not only does the operating budget raise the level of spending higher than any previous proposal, but it requires nearly \$500 million in tax increases. By the governor's own admission, the budget



is unsustainable because of \$233 million in one-time budget shifts, such as delaying state pension payments and taking funds from the Health Services Account that helps low-income families, seniors and children who rely on the state for health care assistance. Because it is not sustainable, the budget also sets the stage for a \$1 billion revenue shortfall in 2007.

In addition to the sheer size of the budget, what also concerned us was the fact that Republicans were shut out while it was created in virtual secrecy. This was a dramatic departure from the collaborative process of two years ago which produced a bipartisan agreement that increased spending by 2 percent – the slowest rate of growth in 40 years – and without raising taxes. The success of the 2003 budget helped put the state back on the road to economic recovery, and revenue has grown by \$1.7 billion. That would have allowed a 7 percent spending increase in the next biennium without raising a single nickel in new taxes. But for majority budget writers, that just wasn't enough, and they insisted on increasing spending by **12.4 percent**.

Under this budget, the state tax on cigarettes was increased by 60 cents a pack (up 42 percent), liquor taxes were hiked by \$1.33 a liter (up 35 percent), and there's a new sales tax on warranties.

The estate tax, or *death tax*, which was struck down by the state Supreme Court this year, has also returned. The tax would apply to estates of \$1.5 million or more this year and more than \$2 million next year.

(It is noteworthy that voters – by a 70 percent margin – passed Initiative 402 in 1981 to abolish the state inheritance tax. Congress began phasing out the onerous tax in 2001, but Washington did not follow suit.)

We are equally troubled that the budget relies on breaking the terms of *Initiative 601* – the state spending limit law approved by voters in 1993. The majority party pushed through a bill that dismantled I-601 and allowed it to raise taxes with a simple-majority vote instead of a two-thirds supermajority.

Initiative 601 was enacted to protect citizens from budgets like this. At a time when we're still working to rebuild public trust in government, gutting I-601 undermines people's confidence.

# 9<sup>th</sup> District benefits little from transportation budget

We opposed the 9.5 cent gas tax increase, which will boost the state gas tax to 37.5 cents by July 1, 2008. Currently 28 cents a gallon, the transportation package hikes the gas tax 3 cents per gallon in July, another 3 cents next year, 2 cents per gallon in 2007 and 1.5 cents in 2008. The gas tax hike, the highest in the U.S., comes just two years after the state gas tax was raised by 5 cents a gallon.

The package includes new weight fees on cars and passenger trucks:

- \$10 for vehicles up to 4,000 lbs., such as mid-size sedans or pickups;
- \$20 for vehicles 4,000 -6,000 lbs., such as a fullsize car, SUV or half-ton extended cab pickup; and
- \$30 for vehicles 6,000-8,000 lbs., such as a three-quarter-ton crew cab pickup.
- Motor home fees will increase to \$105 from the current \$30

The transportation funding package includes the adjustment of many vehicle/driver license fees to cover costs. For instance, an original driver's license



application fee is increased to \$20 from \$10, and the fee for a driver's permit is raised to \$20 from \$15. Agricultural permits are increased to \$20 from \$15, and a commercial driver license is increased to \$30 from \$20.

- People in our district usually have to drive long distances to get to work, shopping or school. Moreover, this gas tax hike will make it harder for farmers and other employers to stay in business, especially with gas prices already very high.
- The new vehicle weight fees are regressive because vehicle owners will pay the same amount whether they drive a little or a lot each year.
- The budget includes very little money for 9th District projects. It provides less funding for projects in our district (\$13 million) than for bicycle and pedestrian path projects statewide (\$21 million over eight years), or fish passage barriers (nearly \$19 million).

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# Agriculture bills passed by Legislature

• **SB 5142** – Clarifies state law so smaller grain elevators and warehouses will be exempt from government paperwork requirements on air pollutants. The measure expands the current law's definition of grain to include peas, lentils and



beans. Sponsored by Sen. Schoesler, it reduces regulatory burdens on grain storage facilities, including grain elevators run by cooperatives.

- SSB 5190 Bans certain animal feeds that might help spread bovine spongiform encephalopathy (BSE) mad cow disease. It expands the list of commercial animal feed to include ruminant (cattle, buffalo, sheep, goats, deer, elk and antelope) feed containing any animal protein banned in cattle feed that is considered unsafe under federal regulations. The bill makes it a gross misdemeanor to intentionally distribute such banned animal feed.
- **SB 5290** Brings the punishment for goat theft in line with theft of other types of livestock. First-degree livestock theft occurs if someone intends to sell or exchange the stolen animal. It is a class B felony, carrying a maximum prison sentence of 10 years and a \$20,000 fine. Second-degree livestock theft occurs if someone intends to steal the animal for his/her own use. It is a class C felony, carrying a maximum prison sentence of five years and a \$10,000 fine.

- SSB 5602 Protects dairy farmers while ensuring protection for the environment, especially water. The bill completes the transfer of authority for the regulation of dairies and concentrated animal feed operations from the Department of Ecology to the Department of Agriculture. It requires DOE to develop, maintain and report back to the Legislature on a standard protocol for water quality monitoring. The bill eliminates for dairy farmers the necessity of having to deal with two agencies.
- 2SSB 5663 Makes the tax exemptions for machinery and equipment alternatives to agricultural field burning clearer and more concise than the current exemptions. It will help improve air quality while helping lessen the financial cost for wheat and grass and turf growers who have to use alternatives to field burning. The bill provides a sales and use tax exemption for qualified farmers in certain counties if they buy specified machinery, equipment, labor and services used to reduce field burning.
- ESB 5962 Protects farmers from nuisance lawsuits by nonfarming neighbors who find they like the views but not the smells or dust. Farmers trying to be good land stewards have faced complaints and lawsuits from neighboring property owners, causing legal and financial challenges. The measure allows farmers to recover damages if a complaint is found to be without merit. It also requires a property seller within one mile of a farm to disclose the farm's existence to buyers and to disclose that the farm may produce dust, odors and other ag-related conditions.

On the first day of the 2005 session, Sen. Schoesler was sworn in by state Supreme Court Justice Charles Johnson.

# Legislature cracks down on fake degrees

Recent news stories revealed that some Washington teachers and school administrators have used phony college degrees to get pay raises.

Sen. Schoesler introduced a bill this session that cracks down on teachers and certified school staff who engage in this dishonest practice. The deception is unfair to school districts because they unknowingly overpay these few teachers, and it's unfair to the vast majority of teachers who earned their credits or degrees by playing by the rules.

While his proposal wasn't passed out of committee, it was resurrected as an amendment to a House measure regarding teacher certification, passed by the Legislature, and signed into law.

The new law requires the Office of Superintendent of Public Instruction to verify higher education credits or degrees earned by teachers and certified school staff to increase their salary – before the pay raise is provided.

### Senator MARK SCHOESLER

Representative **DAVID BURI** 

### Teacher salaries and class-size reduction

Ensuring that our children have good education opportunities is state government's paramount duty. That's why 60 percent of the state operating



budget is spent on K-12 and college education funding. As legislators and parents, we want our young people to have good teachers and strong schools, but we also understand those goals must be balanced against available revenue, and the necessity of living within our means.

Washington voters passed Initiatives 728 and 732 to reduce class sizes and raise teacher salaries. These are laudable objectives, which we strongly support. The problem is the initiatives were mandated without sources of funding.

The new two-year operating budget funds both initiatives – through unneeded tax increases. There was enough revenue coming into the state that spending could have increased by \$1.7 billion. Clearly, we could have provided cost-of-living raises for public school employees *and* reduced class sizes without the "sin" taxes on cigarettes and alcohol.

This is an odd tax policy, and sends a confusing message to kids. On the one hand, we try to encourage children to stay away from these products, but the Legislature insisted on linking education funding to tobacco and alcohol consumption.

### **Higher education**

#### **Expanding access**

With revenue generated by the cigarette tax hike (an estimated \$175 million) and \$135 million



from the death tax, 7,900 higher-education enrollment slots are created through the new Education Legacy Trust Fund. Approximately 26,000 seats will be needed by 2010 to accommodate record numbers of students graduating from Washington's high schools. We maintain this is part of our paramount duty as legislators, and should be funded within the revenue generated by our economy.

#### **Tuition increases**

The Legislature authorized tuition increases at the state's universities and colleges: 7 percent a year for the next two years at the University of Washington and Washington State University; 6 percent at four-year regional schools (Eastern, Western, Central and The Evergreen State College); and 5 percent a year at community and technical colleges.

#### **Promise Scholarship**

Budget writers cut the Promise Scholarship program, which provided monetary awards to low- and middle-income students in the top 15 percent of their high school classes. Terminating the program will save about \$12.6 million.

### Three Buri-sponsored bills become law

**House Bill 1161** – Authorizes law enforcement agencies to share information regarding Level II and III sex and kidnapping offenders with public libraries. Public notification cannot *guarantee* a safer community, but citizens need to have as many opportunities as possible to be informed about the presence of these individuals, and to take reasonable precautions.

House Bill 1695 – Allows nonresident children of parents who live in Washington to purchase hunting and fishing licenses at the lower *resident* rates. For some families, the nonresident license rates were too costly, and discouraged pursuing outdoor activities together. In order to get around the law, a nonresident child would have to lie about where he or she lives to get the lower rate. Dishonesty is not the message we should be sending as we encourage the next generation of outdoor enthusiasts.

**House Bill 1393** – Requires that pre-1976 mobile homes pass a Labor & Industries code inspection before the



In his first legislative term, Rep.
Buri was named assistant Republican whip, an appointment that reflects the caucus' confidence in David's character, work ethic and leadership skills.

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units can be moved on public highways. By requiring an L&I safety inspection before the units are moved from one location to another, the measure helps head off incidents in which buyers of older mobile homes have wound up losing their investments and abandoning the units.

The bill was prompted by Adams County commissioners who cited numerous incidents in which older mobile homes had been abandoned by owners who discovered only after they'd bought them that the units couldn't meet inspection standards, blocking them from getting water and power hookups.

# Modest progress toward achieving true election reform

We came into the session hoping to restore public confidence in elections, but reform proved to be one of the year's most contentious issues. In the end, we passed improved voter registration and election procedures, but we fell short of adopting more meaningful election-law safeguards, including proof of citizenship and a cleanup of voter registration rolls. A push to move the primary to an earlier date also failed.

Among the improvements to the state's elections laws:

- Requiring provisional and absentee ballots to be visually distinguishable from poll ballots and not countable at poll-site counting machines.
- Requiring returned ballot envelopes to be kept in secure locations until opening.
- Prohibiting marking on ballots (to "enhance" them).
- Upgrading penalties so double voting is a Class C felony, and destroying, altering or discarding a completed registration form or provisional ballot signature is a gross misdemeanor.
- Extending the general election certification period to 21 days (from 15) to provide more time for military and overseas ballots to arrive.
- Requiring voter rolls to be checked against law enforcement and court databases to identify felons.

Several other reforms demanded by citizens – including one that would require photo identification at the polls – still need our attention.

We didn't accomplish as much as we had hoped toward improving voter trust and the integrity of elections in our state, and there's still more work to be done, but we moved closer to achieving the reforms citizens want.

During debate on the capital budget, Rep. Cox fought for an amendment to restore \$45 million proposed by the governor for WSU's biotechnology building. The amendment was blocked, and the \$57 million Life Sciences Building was put on hold.



# Capital budget helps district, but shortchanges WSU

The \$3.3 billion construction budget provides funding for important projects and facilities in our district – including a new state prison at Connell in Franklin County – but it did not include an appropriation for a planned \$57 million Biotechnology Life Sciences Building on the WSU Pullman campus.

The Life Sciences Building was WSU's top priority, but budget writers ignored consensus support of the project by all of Washington's public universities.

If we value research, we have to set the necessary dollars aside to keep our universities at a tier-one level, and at a time when we need to make every dollar count, delaying the project until the next biennium will very likely boost the cost at least 10 percent.

The budget **does** earmark up to \$62.5 million for the Pullman campus (WSU could spend a portion of this on the main campus or at the branch campuses), but exclusion of the Life Sciences Building money was a painful setback.

We are pleased that Eastern Washington University will receive about \$42 million for capital projects, and \$1 million was included for the health science facility at the Clarkston branch of Walla Walla Community College.

As part of the capital budget language, our 9<sup>th</sup> District team won approval of a provision that limits the ability of the Department of Natural Resources to conduct land trades in a secretive manner.

#### **2005 Survey Results**

#### **Priorities**

Which of the following issues are most important for the Legislature to address during the 2005 session?

- #1 Economy and jobs
- #2 Taxes and spending
- #3 Health care
- #4 Public schools
- #5 Crime and drugs
- #6 Colleges and universities
- #7 Agriculture/agriculture research
- #8 Growth management/land rights
- #9 Transportation
- #10 Environment
- #11 Social issues

#### **Your Family**

Do you think that your family income and standard of living is at risk due to the economic downturn in the state?

61% Yes 39% No

What steps do you think would be the most effective in attracting more high-paying jobs for Washington families?

- #1 Reduce business taxes to attract new businesses and discourage existing businesses from leaving the state
- #2 Change the regulatory environment to make Washington more attractive to business
- #3 Streamline permitting so that businesses can locate and expand in Washington without costly delays
- #4 Use taxpayer resources to recruit high-paying manufacturing jobs to our state

#### Budget

Rank in order of preference the following solutions to fixing the state budget:

- #1 Reduce unnecessary government services and waste
- #2 Audit government agencies to fix (or eliminate) poorly performing programs

- #3 Downsize state government in general
- #4 Modernize large portions of government functions such as human resources management, all permit processes and other potential services so citizens can utilize these functions via their computers
- #5 Raise taxes

Initiative 601 limited growth in the budget to increases in population and inflation, and prevents taxes from being raised unless approved by a supermajority vote of the Legislature. Should this voter-approved measure be restored?

78% Yes 22% No

#### **Higher Education**

There is no stable, long-term funding system for Washington's public colleges and universities. As a result, the level of higher education funding in our state has declined in recent years, shifting more of the cost of higher education to students. Should the state implement a long-term funding plan for our higher education system?

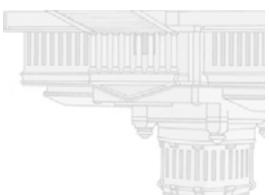
64% Yes 36% No

Because of budget problems in recent years, the Legislature allowed institutions to raise tuition rates by an average of nearly 11 percent a year at community and technical colleges, an average of 10.5 percent at the state's regional universities, and an average of 11.5 percent at the UW and WSU. Which of the following best matches your opinion on this issue?

- 44% It isn't fair to students and parents to raise tuition rates when the economy is in poor shape
- 32% Tuition increases are justified in light of the state's overall budget problems
- 24% Allow college or university regents and trustees to set tuition rates

#### **Supermajority**

The state constitution requires that school bonds and levies receive approval from at least 60 percent of the voters to win passage. Do you favor lowering the requirement to 50 percent? 31% Yes 69% No



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DON COX & DAVID BURI State Representatives

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